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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08.09.2006

CORAM:

THE HONOURABLE MR.JUSTICE P.K.MISRA
AND
THE HONOURABLE MR.JUSTICE M.JAICHANDREN

O.S.A.Nos. 69 and 70 of 2001
against
O.A.Nos.579 and 580 of 1999
in
C.S.No.718 of 1999

1.Chanda Softy Ice Cream
a partnership concern
rep.by its Partner,
G-7,Wellington Estate,
24,C-in-C Road, Egmore,
Chennai - 600 105.
2. Bhushan Goyal
3. Girish Gupta ... Appellants in both the appeals/ Defendants 1 to 3

Vs.

1. 'MARS' Incorporated
2. Milkyway GALAXY of
Ice creams ..Respondents in both the appeals/ 1st Plaintiff & 4th Defendant

For appellants : Mr.Satish Parasaran
For respondents : Mr.A.A.Mohan - for R1
No appearance - for R2

The Original Side Appeal Nos.69 of 2001 and 70 of 2001, have been filed, against the Order passed by the learned single Judge, dated 29.01.2001, made in Original Application Nos.579 of 1999 and 580 of 1999 in C.S.No.718 of 1999.

C O M M O N O R D E R

Heard the learned counsel for the appellants as well as the respondent. Since the facts and circumstances in which the Original Applications had been filed being the same both the above mentioned appeals are taken up for hearing and a Common Order is passed.

2. The Original Side Appeal Nos.69 of 2001 and 70 of 2001,

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have been filed by the appellants herein, against the Order passed by the learned single Judge, dated 29.01.2001, made in Original Application Nos.579 of 1999 and 580 of 1999 in C.S.No.718 of 1999.

3. The plaintiffs in the suit are the respondents in the present appeals.

The respondents herein namely, 'MARS' Incorporated and Milky Way 'Galaxy' of ice creams had filed a Civil Suit in C.S.No.718 of 1999 under the Ordinary Original Civil Jurisdiction of this Court praying for a Judgment and a Decree on the following terms :-

> " a) Granting a perpetual order and injunction restraining the defendants by themselves, their partners, heirs, legal representatives, successors in business, assigns, servants, agents, distributors, stockists, representatives, or any of them from in any manner passing off or enabling others to pass off the Defendant's business and goods as and for the business and goods of the Plaintiff by use of 'GALAXY' & 'MILKY WAY' or any mark similar thereto as Trade Marks and/or as part of trading style/business name in respect of ice creams, frozen food, snack foods, or in any other manner whatsoever.
>
> b) Granting a perpetual order and injunction restraining the Defendants by themselves, their partners, heirs, legal representatives, successors in business, assigns, servants, agents, distributors, stockists, representatives, or any of them from in any manner infringing Plaintiff's registered Trade Marks 'GALAXY' and 'MILKY WAY' by use of Trade Mark/s 'GALAXY' and/of 'MILKY WAY' or any mark similar thereto.
>
> c) The Defendants be ordered to surrender to Plaintiff for destruction all goods, cartons, tables, prints, blocks, dyes, plates, moulds and other material bearing the Plaintiff's Trade Marks 'MILKY WAY' and 'GALAXY' or any mark similar thereto.
>
> d) A preliminary decree be passed in favour of the Plaintiff directing the Defendants to render account of profits made by them by use of trade names/Trade Marks 'MILKY WAY' and 'GALAXY' or any mark similar thereto and a final decree be passed in favour of Plaintiff for the amount of profits found to have been made by the Defendants after the latter have rendered accounts.
>
> e) for costs of the suit
>
> f) Pass such further or other orders, as this Hon'ble Court may deem fit and necessary in the

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circumstances of the case".

4. The plaintiffs had also filed Original Applications O.A.No.579 of 1999 and O.A.No.580 of 1999 in C.S.No.718 of 1999 praying for an order of interim, ad-interim, temporary injunction, restraining the respondents therein and the appellants in the present appeals, their partners, agents, representatives and others from in any manner infringing the applicant's registered trade marks 'GALAXY' and 'MILKY WAY' or any marks similar thereto and also for an order of interim, ad-interim, temporary injunction, restraining the respondents therein and the appellants in the present appeals their partners, agents, representatives and others from in any manner passing off or enabling others to pass off the respondents' business and goods as and for the business and goods of the applicant's by use of 'GALAXY' and 'MILKY WAY' or any mark similar thereto as trade marks as part of trading style/business name in respect of ice creams, frozen foods, snack foods or in any other manner whatsoever, respectively.

5. The applicant had filed a common affidavit in both the above mentioned applications stating that the applicant is an internationally renowned manufacturer and merchant of various types of foodstuff, including non-medicated confectionery, chocolates, ice creams, frozen snacks and snack foods. Further, the applicant is a world leader in branded snack foods, pet care products, main meal foods, electronic payment systems and drinks vending. The applicant also employs approximately 28,000 persons with manufacturing facilities in more than 30 countries. The applicant company was established in the year 1911 by Mr.Frank C.Mars in the U.S.A. The applicant's chocolates and confectionery, under the trade mark 'MARS', are sold in several countries all over the world, including India. The trade mark 'MARS' forms a predominant feature of the applicant's corporate name and trading style.

6. It is stated that the applicant's European operations began in the year 1932 with the establishment of 'MARS' confections in Slough in the United Kingdom. This business is known today as 'MARS' Confectionery, which is a division of 'MARS' U.K. Limited and which is ultimately owned and controlled by the applicant. In 1940, M&M Limited was founded in New york, New Jersey, United States of America. This business is known today as M&M / 'MARS' which is a division of 'MARS' Incorporated. In the early 1960's, manufacturing was extended with a factory in Veghel in the Netherlands and since 1970 capacity has been added in a series of new plants in the United States of America and continental Europe. In 1979 production for the Australian Continent began in Ballarat, Victoria and in 1988 a facility was opened in New market, Ontario, Canada.

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7. It is further stated that the applicants had adopted the Trade mark 'MILKY WAY' in respect of chocolates in the year 1923. In respect of Ice creams and the trade mark 'MILKY WAY' was adopted by the applicant in the year 1989. The applicant's 'MILKY WAY' and 'GALAXY' chocolates and confectionery are sold in bonded warehouses, duty free shops and customs notified shops all over India. The applicant's 'MILKY WAY' and 'GALAXY' chocolates and confectionery are freely available in Haryana Tourism Shops and Five Star Hotels and in several departmental stores. The applicant's 'MILKY WAY' chocolates are sold in abundance in Burma Bazaar and Kasichetty Street in the city of Chennai. The sales figures in India of the applicant's chocolates and confectionery, including goods bearing the trade mark 'MILKY WAY', during the period November,1996 to December 1999, are in excess of 2,44,220 US $. The applicant has supplied 'MILKY WAY' and 'GALAXY' chocolates and confectionery on a commercial scale to India Tourism Development Corporation Limited, Surura Business (India) Pvt.Limited, New Delhi and Kaivan Foods, Mumbai.

8. On behalf of the applicants various statistics were given to show that the average international sales turnover for its various products and the amounts spent on advertising were also given. The applicants have also stated that the applicant's trade mark 'MILKY WAY' is registered in India under No.3686, dated 19th, August,1942, in Class 30, in respect of chocolates and sweet meats and under No.400610, dated 27th January,1983, in Class No.30, in respect of confectionery biscuits and chocolates. The registration have been duly renewed and they are still valid and subsisting. The applicant had also applied for registration of trade mark 'MILKY WAY' under No.617954, dated 28th January, 1994, in Class 30 in respect of "Rice, Pasta, Cereal and Cereal preparations, tea, coffee, cocoa, coffee essence, coffee extracts, mixtures of coffee and chicory and chicory mixtures and non-medicated confectionery like chocolate, chocolates pastries, cereals and preparations made from cereals, cakes, biscuits, breads, ices, ice creams and frozen confections.

9. The applicants had also applied for registration of trade mark 'MILKY WAY' in Script in colour under No.633219, dated 7th July, 1994, in class 30 for the above mentioned said items. The applicants are also the proprietor of the Trade mark 'GALAXY'. The applicants adopted the trade mark 'GALAXY' in respect of chocolates in the year 1960 and ice creams in the year 1990. The applicant's trade mark 'GALAXY' is registered in India under No.198768, dated 31st October,1960, in class 30 in respect of "rice, pasta,cereal and cereal preparations, tea, coffee, cocoa, coffee essence, coffee extracts, mixtures of coffee and chicory and chicory mixtures, all for use as substitutes for coffee, non-medicated confectionery chocolate, chocolates pastries, cereals and preparation made from

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cereals, cakes, biscuits, breads, ices, ice creams and frozen confections.

10. It is further stated by the applicants that the applicant's trade marks including 'MILKY WAY' and 'GALAXY' are registered in more than 160 countries all over the world and have acquired reputation and goodwill in Chennai and other parts of India as well by virtue of the fact that a large number of Indians travel out of India and return to their country after their sojourn abroad. Such persons are exposed to the applicant's brands not only through television and magazines but also by virtue of the fact that the applicant's goods are available in almost, all major countries of the world in virtually all shops dealing in or stocking confectionery goods. As an example in New York city in U.S.A. virtually every block has kiosks dealing in newspaper, magazine and chocolates. A majority of these kiosks spread all over the city are owned and run by immigrant Indian communities. Almost all these kiosks prominently display products of the applicant. Additionally these kiosks stock magazines bearing advertisements of the applicant's products. The Indians who run these kiosks as well as Indians who make purchases from these kiosks bring back with them reputation and goodwill of the trade marks of the applicant. Also, for the reason that many Indian families have their relatives in other countries where the applicant's goods are freely sold, the international reputation enjoyed by the applicant's trade marks 'MILKY WAY' and 'GALAXY' has also spilled over to India. Further, a large number of Indians who travel abroad purchase the applicant's goods and carry them when they travel back to India. It is also stated that the applicant's goods are available at many of the duty free shops at major airports around the world.

11. It has also been stated by the applicant that the applicant's ice creams, confectionery and other products bearing the trade marks 'MILKY WAY' and 'GALAXY' are extensively advertised in several international magazines having a large circulation such as Cosmopolitan, Woman's Day, Colliers, The National Weekly, Saturday Evening Post, United Daily News, Libelle, Gulf News, Khaleej Times. The products of the applicant have been popularised by their extensive involvement of sporting activities which were extensively covered in India on television and also by the print media. The confectionery products of the applicant are also advertised extensively by the various television journals in India and abroad. Due to extensive advertisement and by the popular use of a large number of people and due to very high quality of the goods sold by the appellant, the trade marks 'MILKY WAY' and 'GALAXY' have become exclusively identified with the applicant and their goods worldwide.

12. The applicant's in the above mentioned applications O.A.Nos.579 of 1999 and 580 of 1999 had further stated in their

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affidavits filed in support of the applications that the respondents in the said applications and the appellants herein have continued to use and violate the statutory rights of the applicant's trade mark 'MILKY WAY' and 'GALAXY' and they are selling ice creams,frozen foods and snack foods under the trading style / trade marks 'GALAXY' and 'MILKY WAY'. The field of business of the applicants and the respondents in the applications were identical. The use of trade mark / trading style 'GALAXY' and 'MILKY WAY' by the respondents were bound to cause confusion amongst the trade and public and such use by the respondents was with a view to pass off and enable others to pass off their goods and business as and for the applicants goods and business. Such use of the trading style/trade marks was with a view to trade upon and benefit from the reputation and goodwill enjoyed by the applicant's internationally well reputed trade marks 'GALAXY' and 'MILKY WAY'. The appellants were using the trading style and trade marks 'GALAXY' and 'MILKY WAY' with dishonest intentions and motives. Such use was bound to create confusion and deception amongst the trade and public regarding trade origin of appellants goods. An ordinary purchaser would be misled due to such wrong misuse of the applicant's trade marks 'GALAXY' and 'MILKY WAY'.

13. The respondents had adopted the trade marks and trade names 'MILKY WAY' and 'GALAXY' for manufacturing and selling ice creams with an intention to pass off their ice creams as and for the ice creams of the applicants. The use by the respondents of the trade marks 'MILKY WAY' and 'GALAXY' in respect of ice creams are as part of its trading style without the consent, authorisation or license of the applicant amounts to infringement of the applicants registered trade mark. Further, the respondents are able to practice deception and confusion on unwary consumers by passing off their goods as and for the goods of the applicants with a dishonest and malafide intention and with a view to exploit and to get an unfair advantage of the goodwill and reputation that the applicant commands both in India and in other countries. The unauthorised use of the trade marks 'MILKY WAY' and 'GALAXY' by the respondents is calculated to deceive the purchasing public with the respondents goods and their business as if it is in some way connected with the applicants'. Members of the trade and public are likely to be confused and deceived into purchasing the goods of the respondents thinking that they are the goods of the applicants. Such misuse of the applicant's trade marks by the respondents was likely to cause serious damage to the applicants goodwill and reputation, especially, in view of the fact the quality control measures were not followed by the respondents in the manufacture and sale of the products. High level of hygiene expected in food stuffs was also not being maintained by the respondents. The loss of goodwill and reputation would cause irreparable harm and damage to the applicants that cannot be easily compensated for. It has also been stated by

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the applicants that legal action has been taken by them against several others for infringing and passing off with regard to their trade marks 'MILKY WAY' and 'GALAXY'.

14. In such circumstances, the applicants had prayed for an order of ad-interim temporary injunction restraining the respondents and others from in any manner passing off their goods as and for the goods of the applicants by use of the marks 'GALAXY' and 'MILKY WAY' or any mark similar thereto as trade marks as part of the trading style / business name in respect of ice creams frozen food, snack foods or in any other manner whatsoever. Further, the applicants had also sought for an ad-interim temporary injunction restraining the respondents and others from in any manner infringing the applicant's registered trade marks 'GALAXY' and 'MILKY WAY' by use of trade marks 'GALAXY' and 'MILKY WAY' or any marks similar thereto.

15. In the counter affidavit filed by the second respondent on his behalf and on behalf of the other respondents in the applications, it was stated that there was no legal entity of 'MILKY WAY' as mentioned in the suit or in the affidavit filed in support of the applications. It was also stated that the proceedings initiated against 'MILKY WAY' was misconceived and untenable in law. It was further stated by the second respondent that since he had not been served with enclosures or the copy of the affidavit or Judge's summons or plaint on the passing of the orders of interim injunction of this Court on 23.09.1999. The mandatory provisions of Order 39 Rule 3 of the Code of Civil Procedure Code had not been followed.

16. It has also been stated by the second respondent that the plaintiff, namely, 'MARS' Incorporated had filed a Civil Suit C.S.No.435 of 1998. Subsequently, the plaintiff had also filed a contempt application No.686 of 1998, for violation of the order of injunction purportedly passed by this Court in O.S.No.325,326 of 1998 by order, dated 30.06.1998. However, the contempt applications, after being heard on merits were dismissed by this Hon'ble Court. While the said suit was pending, the present suit had been filed by the plaintiff which is a sheer abuse of process of the Court and of Law.

17. It was also stated that the respondents were not aware of the registration of the trade marks 'MILKY WAY' and 'GALAXY' in favour of the plaintiff. They had no knowledge of the manufacturing or marketing of the plaintiff's products in India. It is also the case of the respondents in the applications that the first defendant in the suit is a firm manufacturing ice cream products without any brand name and the shop in which they are sold has the name of 'MILKY WAY' and 'GALAXY' of ice creams which is doing business at

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No.G-7, Wellington Estate,24,Commander-in-Chief Road, Egmore, Chennai. The respondents had learnt that the applicants were manufacturing chocolates and confectioneries which are sold in European and other countries worldwide but not in India. However, the plaintiffs had not made out a case to show that they are manufacturing and marketing ice cream products in India and that the products sold by the respondents would create a confusion in the minds of the customers and the public. The respondents are manufacturing and selling ice creams at the place mentioned above without any brand name or trade name and their ice creams have been sold since May, 1994. Further, the applicants are not manufacturing or marketing any frozen products or ice products in India more so in Chennai. It was stated that the applicants are manufacturing and selling frozen snacks and not ice cream. It was also stated that the respondents have not adopted the trade mark 'MARS', 'GALAXY' or 'MILKY WAY' in any manner so as to infringe the trade mark rights of the plaintiffs/applicants or in any manner attempting to pass off their goods as that of the applicants. Since the applicants have not come before this Court with clean hands, no discretionary orders need be given in their favour.

18. It was further stated by the respondents that there was no trans-border reputation established by the applicants in order to prevent the respondents from using their alleged trade marks. The respondents have been selling ice cream products since 1994 and have invested substantial amounts in the business and have built up lucrative business over the years. It is also seriously contended by the respondents that the applicants have come before this Court only in the year 1999 belatedly and therefore, their action is hit by the principle of laches and the grant of an interim order against the respondents would cause irreparable harm and loss to the business carried on by the respondents.

19. The respondents had filed application Nos.3446,3447,3448,3449 of 2000. Application No.3446 of 2000 had been filed praying to vacate the order of interim injunction granted in O.A.No.579 of 1999, dated 23.09.1999. Application No.3447 of 2000 had been filed praying to suspend the order of injunction granted in O.A.Nos.579 of 1999, dated 23.09.1999. Application No.3448 of 2000 had been filed praying to vacate the order of injunction granted in O.A.No.580 of 1999. Application No.3449 of 2000 had been filed praying to suspend the order of injunction granted in O.A.Nos.580 of 1999. After hearing the rival contentions of both the applicants and the respondents, this Court had confirmed its earlier order by making the interim orders, dated 23.09.1999, absolute. Against the said order, dated 29.01.2001, the present Original Side Appeals have been filed.

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20. By a common order, dated 29.01.2001, the learned single Judge had made absolute his earlier orders of ad interim injunction, dated 23.09.1999, by dismissing the applications filed by the respondents to vacate the interim orders. Aggrieved by the said common order, dated 29.01.2001, of the learned single Judge the present appeals have been preferred.

21. The Original Side Appeals No.70 of 2001 and 69 of 2001 have been preferred against the common order passed in O.A.No.579 of 1999 and 580 of 1999 on the following among other grounds:-

" a) that the order of the learned single Judge in granting injunction restraining the appellant from using the trade mark 'MILKY WAY' is contrary to law and in particular the provisions contained in Section 29 of the Trade and Merchandise Marks Act, and while granting the said order the principle of balance of convenience had not been carefully considered.

b) that well settled principles established by the decisions of the Apex Court and the High Courts had not been properly appreciated before the order of injunction was passed. Such order ought not to have been granted in view of the fact that the plaintiff did not have 'MILKY WAY' as a registered trade mark in respect of ice creams. The plaintiff's claim of trans-border reputation with regard to the trade mark 'MILKY WAY' was not sufficiently substantiated.

c) that there has been a long unexplained delay of over six years in instituting the present suit from the commencement of business by the appellants. Even after the caveat was served there has been a delay of more than a year in filing of the suit by the plaintiffs in the suit and the respondents in the present appeals.

d) that the learned single Judge had not taken note of the fact that the appellants had been continuously and uninterruptedly using the name 'MILKY WAY' as the trade name in respect of ice creams since 1994. The appellants have been extensively and openly using the trade name 'MILKY WAY' in respect of ice creams by advertisements, articles and newspapers in various leading news papers. The claim made by the plaintiff of having conceived the name 'MILKY WAY' in respect of ice creams in the year 1989 could not have been taken into account since the trade mark application made by the plaintiff in 1994 for registration of the name in respect of ice creams clearly shows that the

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said name was only proposed to be used.
e) that the learned single Judge ought to have considered the fact that the plaintiff had not complied with the mandatory provisions of law contained in Order 39 Rule 3 of the Code of Civil Procedure Code in serving of the relevant pleadings and other documents after obtaining an exparte order of injunction on 23.09.1999.
f) that the learned single Judge had not appreciated the fact that the style and manner of user of the trade name 'MILKY WAY' was entirely different from the alleged trade mark of the plaintiff. The lettering of the names 'MILKY WAY' and the scheme, colour, get up of the appellants trade name were totally different from the trade name alleged to have been used by the plaintiff. When the visual appearance of rival trade marks are totally dissimilar any claim of phonetic similarity may not be tenable.
g) that the learned single judge ought to have appreciated the fact that the use of the contentious trade marks could only be construed under the honest and concurrent user principle.
h) that the suit filed by the plaintiff was barred under Order 2, Rule 2 of the Civil Procedure Code and having instituted a suit earlier the plaintiff ought to have been barred from filing a subsequent suit by applying the principle of res judicata.
i) that the learned single judge ought to have noted the fact that the nature as well as the manner and the user of the trade mark being entirely different and in respect of different goods, neither an action for infringement nor a passing off suit would legitimately lie at the instance of the plaintiff.

j) that the learned single Judge ought to have held that the plaintiff had not sufficiently proved that the trade marks 'MILKY WAY' and 'GALAXY' were registered in their name based on admissible documents.
k) that the learned single judge ought to have distinguished the use of generic words from that of the use of the validly registered trade marks and the use of the trade marks 'MILKY WAY' and 'GALAXY' by the present appellants was only as a business name and not as their trade names on the ice creams."

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22. The learned counsel for the appellants contended that the respondent had mostly shown packaging examples to support their case of infringement of trade marks. Even if it was shown by the respondent that ''MARS'' was a well known trade mark in foreign countries, it was only for chocolates and such other confectionery items and it does not include ice creams. Further, the registration of trade mark 'GALAXY' claimed by the respondents was only for confectionery . The words 'GALAXY' and 'MILKY WAY' are only deceptive in nature and such words cannot be owned as registered trade marks. The respondent has not proved trans-border reputation, even assuming that it was prevalent in many foreign countries, it should have been shown by the respondent that it was carried into India, which they have failed to do. Even otherwise, mere presence of products with such trade marks in India is not sufficient as it should be shown to be well known in this country. To prove such circumstances, actual sales, turn over, advertisements, etc., are to be shown through documents placed before the Court. According to the trinity tests laid down through decided cases regarding misrepresentation are that there has to be a proof of misrepresentation affecting the reputation of a product and damage caused thereby, either actual or apprehended, have to be shown. The reputation of a product or a trade mark depends on the extent of its use and the amount of advertisements done in creating such reputation or goodwill.

23. On the other hand, the learned counsel for the respondents had contended that it would be enough for the respondents to show that they were manufacturing frozen snacks and confectionary and in such a case no further evidence is required to prove their case of infringement of their trade marks. Confectionary also included ice creams manufactured and marketed by the respondents. The respondents had clearly established trans-border reputation and goodwill of their products which are well known in India. Further, their trade marks 'MILKY WAY' and 'GALAXY' are well known in India and abroad. The use of such trade marks by the appellants would definitely mislead the purchaser in purchasing the products of the appellants as though they were that of the respondents. Such a situation would cause serious damage and irreparable loss to the respondents both in terms of monetary loss and loss of reputation and goodwill. The appellants are using the respondents trade marks dishonestly and with a malafide intention of passing off the appellants products as that of the respondents. In such circumstances, the interim orders granted by this Court, against the appellants and made absolute subsequently, should be continued till the completion of the trial of the suit.

24. The learned counsel appearing on behalf of the appellants had relied on the following decisions :-

a) Kamal Trading Co., Bombay and Others Vs. Gillette U.K.

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Limited, Middle Sex, England, reported in 1988 PTC (1) 13

b) Daimler Benz Aktiegesellschaft and another Vs. Hybo Hindustan, reported in AIR 1994 Delhi 239.

c) N.R.Dongre and others Vs. Whirlpool Corporation and another, reported in (1996) 5 Supreme Court Cases 714.

d) Haw Par Bros.International Ltd Vs. Tiger Balm Co. (P) Ltd & Others, reported in 1996 PTC (16) (DB) 311

e) Caterpillar Inc. Vs. Jorange, reported in 1998 PTC (18) (DB) 31

f) B.L.and Co.and others Vs. Pfizer Products Incl., reported in 2001 PTC 797 (Del)(DB)

g) Three-N-Products (P) Ltd. and Jocil Ltd. and Another reported in 2003 (27) PTC 47 (Mad).

h) Kraft Jacobs Sucharc Ltd Vs. Government of India by Secretary, Ministry of Commerce and Industry and Others, reported in 2004 (29) PTC 376 (IPAB).

i) E.I.Du Pont De Nemours & Co.of USA Vs. Gemini Distilleries Ltd, reported in 2004 (28) PTC 663 (IPAB)

j) Kerala Jewellers, Madras Vs. Kerala Jewellers, Trichy, reported in IPLR 2000, Oct.220.

25. The learned counsel appearing on behalf of the first respondent had relied on the following decisions:-

a) Corn Products Refining Co., Vs. Shangrila Food Products Ltd., reported in AIR 1960 Supreme Court 142.

b) Ellora Industries, Delhi Vs. Banarasi Dass Goela, reported in AIR 1980 Delhi 254.

c) Honda Motors Co. Ltd Vs. Charanjit Singh & Others, reported in 2003 (26) PTC 1 (Del).

d) Milment Oftho Industries & Ors Vs. Allergan Inc., reported in 2004 (28) PTC 585 (SC).

However, we feel that the principles of law laid down by the above decisions need not be gone into in detail at this stage, since the issues raised in the original applications are remanded back to be decided at length by the learned single Judge.

26. On a careful analysis of the order passed by the learned single Judge, on 29.01.2001, in Original Applications No.579 of 1999 and No.580 of 1999, we find that the learned single Judge had omitted to consider the cumulative effect of the necessary factors while granting the orders of injunction. We are of the opinion that the learned single Judge ought to have considered the aspect of balance of convenience as well as the question of irreparable loss, apart from the issue of existence of a prima facie case, at that stage. The following decisions of the Supreme Court are in support of this view:-

"a) In Transmission Corpn. of A.P.Ltd Vs Lanco

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Kondapalli Power (P) Ltd. (2006) 1 Supreme Court Cases 540 it was held that the interim direction ordinarily would precede finding of a prima facie case. When existence of a prima facie case is established, the Court shall consider the other relevant factors, namely, balance of convenience and irreparable injuries.

b) In Hindustan Petroleum Corpn. Ltd Vs Sriman Narayan and another (2002) 5 Supreme Court Cases 760 it was held that grant of an interlocutory injunction during the pendency of the legal proceeding is a matter requiring the exercise of discretion of the court. While exercising the discretion the court normally applies the following tests;

(i) whether the plaintiff has a prima facie case;

(ii) whether the balance of convenience is in favour of the plaintiff; and

(iii) whether the plaintiff would suffer an irreparable injury if his prayer for interlocutory injunction is disallowed.

"The decision whether or not to grant an interlocutory injunction has to be taken at a time when the exercise of the legal right asserted by the plaintiff and its alleged violation are both contested and remain uncertain till they are established on evidence at the trial. The relief by way of interlocutory injunction is granted to mitigate the risk of injustice to the plaintiff during the period before which that uncertainty could be resolved. The object of the interlocutory injunction is to protect the plaintiff against injury by violation of his right for which he could not be adequately compensated in damages recoverable in the action if the uncertainty were resolved in his favour at the trial. The need for such protection has, however, to be weighed against the corresponding need of the defendant to be protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. The court must weigh one need against another and determine where the 'balance of convenience' lies."

c) In Dalpat Kumar and another Vs Prahlad Singh and others, (1992) 1 Supreme Court Cases 719, it was held that "it is settled law that the grant of injunction is a discretionary relief. The exercise thereof is subject to the court satisfying that (1) there is a serious disputed question to be tried in the suit and that an act, on the facts before the court, there is probability of his being entitled to the relief asked for by the plaintiff/defendant; (2) the court's interference is necessary to protect the party from the species of injury. In other words, irreparable injury or damage would ensue before the legal right would be established at trial; and

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(3) that the comparative hardship or mischief or inconvenience which is likely to occur from withholding the injunction will be greater than that would be likely to arise from granting it."

d) In Mahadeo Savlaram Shelke and others Vs Pune Municipal Corporation and another, (1995) 3 Supreme Court Cases 33, it was held that "in a suit for injunction, the court should enquire on affidavit evidence and other material placed before the court to find strong prima facie case and balance of convenience in favour of granting injunction otherwise irreparable damage or damage would ensue to the plaintiff. The court should also find whether the plaintiff would adequately be compensated by damages if injunction is not granted."

27. At this juncture, it may be pointed out that the learned counsel appearing on behalf of the first respondent had filed a memo, dated 19.07.2006, which is as follows :-

" That during the course of the hearing in the present appeal, an issue was raised that the respondent No.1 did not have a registration for the trade mark MILKY WAY in respect of ice creams. It was stated by the counsel for 1st respondent that the trade mark MILKY WAY under No.617954 in class 30 has been advertised in the Trade Marks Journal and that the respondent is awaiting registration certificate. A letter dated 13th June 2006 was also issued to the counsel for the appellants in this regard.

While following up with the Trade Marks Registry, the 1st respondent's counsel became aware that the registration certificate was issued to another counsel at New Delhi, M/s.Lall, Lahiri and Salhotra. Upon enquiries, it was understood that M/s.Lall, Lahiri and Salhotra had returned the original certificate to the Trade Marks Registry, Mumbai. Since, the said registration certificate was not traceable at the Registry and in view of the pending hearing before this Hon'ble Court, M/s.Anand & Anand, Trade Marks Attorneys for the 1st respondent applied for and obtained a duplicate registration certificate on 29th June 2006. Immediately, thereafter, on 30th June,2006, the said Attorneys had also filed an application for renewal of the trade mark under No.617954 in class 30 by filing a request in FORM TM 12.

The duplicate registration certificate for trade mark MILKY WAY under No.617954 in class 30, the letter from M/s.Anand & Anand to the Trade Mark Registry along with Form TM 12 are already submitted to this Hon'ble Court.

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It is further submitted that it may take some time for the Learned Registrar to issue the certificate of renewal. However, I undertake to produce the said certificate before the Hon'ble Court as and when it is issued by the Trade Marks Registry.

Subsequently, a copy of the registration certificate renewing the registration of Trade Marks for a further period of ten years from 28.01.2004 has also been submitted before this Court by the learned counsel appearing for the first respondent.

28. The learned counsel appearing on behalf of the appellants had submitted that a rectification petition has been filed on behalf of the appellants before the Trade Marks Registry and it is still pending consideration. While so, renewal has been granted in favour of the respondents for ten years from 28th July, 2004, without considering the rectification petition filed on behalf of the appellants.

29. On a careful analysis of the rival contentions raised by the learned counsels appearing for the appellants as well as the respondent, we are of the considered view that the order of the learned single Judge, dated, 29.01.2001, made in Original Application Nos.579 of 1999 and 580 of 1999 in C.S.No.718 of 1999, cannot be sustained and therefore, it is set aside. However, we leave all the issues raised before us in the present Original Side Appeals No.69 of 2001 and 70 of 2001 to be raised before the learned single Judge who would hear the case. While dealing with the matter, the learned single Judge is to consider afresh the original applications filed by the parties, taking into consideration all the issues raised before the Court, without being influenced by the opinions and observations made by us while passing this order or those which have been expressed by the learned single Judge while passing the earlier order, dated, 29.01.2001.

The Registry is directed to list the matter at an early date before the learned single Judge. With the above directions, the Original Side Appeals stand disposed of. No costs.

Sd/-
Asst. Registrar.

/true copy/

Sub Asst. Registrar.

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To

1)The Sub-Assistant Registrar,
Original Side, High Court,
Madras. (with a direction to list the matter
at an early date before the single Judge)

2)The Section Officer,
V.R.Section,
High Court, Madras.

2 ccs to Mr. Satish Parasaran, Advocate, sr. 41899
1 cc to Mr.A.A. Mohan, Advocate, Sr. 41873

O.S.A.Nos. 69 and 70 of 2001
against
O.A.Nos.579 and 580 of 1999
in
C.S.No.718 of 1999

NG (CO)
kk 12/10

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